

OPEN MEETING ITEM

COVER SHEET



0000000686

ARIZONA CORPORATION COMMISSION DOCKET CONTROL CENTER

2000 OCT 19 P 4:55

CASE/COMPANY NAME:

IN THE MATTER OF THE APPLICATION OF

PANDA GILA RIVER, L.P. OR THEIR

ASSIGNEE(S), IN CONFORMANCE WITH THE

REQUIREMENTS OF ARIZONA REVISED

STATUTES 40-360.03 AND 40-360.06, FOR A

CERTIFICATE OF ENVIRONMENTAL

COMPATIBILITY AUTHORIZING THE

CONSTRUCTION OF NATURAL GAS-FIRED,

COMBINED CYCLE GENERATING PLANT,

SWITCHYARD, AND RELATED FACILITIES IN

THE TOWN OF GILA BEN, MARICOPA COUNTY,

ARIZONA, LOCATED IN SECTIONS 8., 17, 20

AND 21, TOWNSHIP 5 SOUTH, RANGE 4 WEST,

GILA AND SALT RIVER BASE AND MERIDIAN.

DOCKET NO.

L-00000Q-00-0099

AZ CORP COMMISSION
DOCUMENT CONTROL

Arizona Corporation Commission

DOCKETED

OCT 19 2000

DOCKETED BY	
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D/B/A: _____

NATURE OF ACTION OR DESCRIPTION OF DOCUMENT Please mark the item that describes the nature of the case/filing:

01 NEW APPLICATIONS

- ☐ NEW CC&N
- ☐ RATES
- ☐ INTERIM RATES
- ☐ CANCELANATION OF CC&N
- ☐ DELETION OF CC&N TERRITORY
- ☐ EXTENSION OF CC&N (TERRITORY)
- ☐ TARIFF-NEW (NEXT OPEN MEETING)
- ☐ REQUEST FOR ARBITRATION
(Telecommunication Act)
- ☐ FULLY OR PARTIALLY ARBITRATED
INTERCONNECTION AGREEMENT
(Telecom. Act)
- ☐ VOLUNTARY INTERCONNECTION
AGREEMENT (Telecom. Act)

- ☐ MAIN EXTENSION
- ☐ CONTRACT/AGREEMENTS
- ☐ COMPLAINT (Formal)
- ☐ RULE VARIANCE/WAIVER REQUEST
- ☐ SITING COMMITTEE CASE
- ☐ SMALL WATER COMPANY-SURCHARGE (Senate Bill 1252)
- ☐ NOTICE OF OPPORTUNITY
- ☐ SALE OF ASSETS & TRANSFER OF OWNERSHP
- ☐ SALE OF ASSETS & CANCELLATION OF CC&N
- ☐ FUEL ADJUSTER/PGA
- ☐ MERGER
- ☐ FINANCING
- ☐ MISCELLANEOUS
- Specify _____

02 REVISIONS/AMENDMENTS TO PENDING OR APPROVED MATTERS

- ☐ APPLICATION
COMPANY _____
DOCKET NO. _____

- ☐ TARIFF
PROMOTIONAL
DECISION NO. _____

DOCKET NO. _____
COMPLIANCE _____
DECISION NO. _____
DOCKET NO. _____

MISCELLANEOUS FILINGS

___ 04 AFFIDAVIT
___ 12 EXCEPTION
___ 18 REQUEST FOR INTERVENTION
___ 48 REQUEST FOR HEARING
___ 24 OPPOSITION
___ 50 COMPLIANCE ITEM FOR APPROVAL

___ 29 STIPULATION
___ 38 NOTICE OF INTENT
(Only notification of future action/no action necessary)
___ 43 PETITION
___ 46 NOTICE OF LIMITED APPEARANCE
XX 39 **OTHER**
Specify APPLICANTS REQUEST FOR AN
AMENDMENT TO COMMISSION
DECISION 62730 GRANTING APPLICANT
A CERTIFICATE OF ENVIRONMENTAL
COMPATIBILITY

Karen Errant/PANDA GILA RIVER
Print Name of Applicant/Company/Contact Person

OPEN MEETING ITEM

RECEIVED

FENNEMORE CRAIG, P.C.
C. Webb Crockett (Arizona Bar No. 001361)
Keith L. Hendricks (Arizona Bar No. 012750)
3003 North Central Avenue, Suite 2600
Phoenix, Arizona 85012-2913
(602) 916-5000
Attorneys for Panda Gila River, L.P.

2000 OCT 19 P 4: 55

7 CORP COMMISSION
DOCUMENT CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

In the matter of the Application of
Panda Gila River, L.P. or their
assignee(s), in conformance with the
requirements of Arizona Revised
Statutes 40-360.03 and 40-360.06, for a
Certificate of Environmental
Compatibility authorizing the
construction of natural gas-fired,
combined cycle generating plant,
switchyard, and related facilities in the
Town of Gila Bend, Maricopa County,
Arizona, located in Sections 8, 17, 20,
and 21, Township 5 South, Range 4
West, Gila and Salt River Base and
Meridian.

CASE NO. 99
DOCKET NO. L-00000Q-00-0099

APPLICANT'S REQUEST FOR AN
AMENDMENT TO COMMISSION
DECISION 62730 GRANTING
APPLICANT A CERTIFICATE OF
ENVIRONMENTAL COMPATIBILITY


Applicant, Panda Gila River, L.P. ("Panda") hereby requests, pursuant to an agreement with the Arizona Center for Law in the Public Interest ("Center"), that the Arizona Corporation Commission ("Commission") amend Decision 62730 in the form attached hereto as Exhibit 1. Panda further requests that the Commission consider this Request at its open meeting scheduled for October 25, 2000.

On June 30, 2000, the Commission issued Decision 62730 granting, a Certificate of Environmental Compatibility ("CEC") to Panda for the construction and operation of a natural gas-fired, combined-cycle electric generating plant ("Panda's Project"). The

1 Center subsequently filed a lawsuit in Maricopa County Superior Court seeking judicial
2 review of Decision 62730 (the "Lawsuit"). Panda has reached an agreement with the
3 Center that, upon entry of an amended CEC with the findings and provisions attached as
4 Exhibit 1, the Lawsuit will be dismissed. Accordingly, Panda requests that the
5 Commission grant an amended CEC in the form attached as Exhibit 1.

6 RESPECTFULLY SUBMITTED this 19th day of October, 2000.

7 FENNEMORE CRAIG, P.C.

8
9 By 
10 C. Webb Crockett
11 Keith L. Hendricks
12 3003 North Central Avenue
13 Phoenix, Arizona 85012-2913
14 Attorneys for Panda Gila River, L.P.

15 ORIGINAL and 10 of
16 the foregoing filed this 19th day
17 of October, 2000, with:

18 Docket Control
19 Arizona Corporation Commission
20 1200 West Washington Street
21 Phoenix, Arizona 85007

22 COPY of the foregoing hand-delivered
23 this 19th day of October, 2000, to:

24 Paul A. Bullis
25 Chairman, Arizona Power Plant and
26 Transmission Line Siting Committee
1275 West Washington Street
Phoenix, AZ 85007-2997

Janice M. Alward, Esq.
Teena I. Wolfe, Esq.
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007-2927

1 Deborah R. Scott
Director
2 Utilities Division
Arizona Corporation Commission
3 1200 West Washington Street
Phoenix, AZ 85007-2997

4 Timothy M. Hogan
5 Arizona Center for Law
in the Public Interest
6 202 E. McDowell Rd., Suite 153
Phoenix, AZ 85004

7 Carl J. Kunasek
8 Chairman
Arizona Corporation Commission
9 1200 West Washington Street
Phoenix, AZ 85007-2997

10 James M. Irvin
11 Commissioner
Arizona Corporation Commission
12 1200 West Washington Street
Phoenix, AZ 85007-2997

13 William A. Mundell
14 Commissioner
Arizona Corporation Commission
15 1200 West Washington Street
Phoenix, AZ 85007-2997

16
17 By: 
18
19
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23
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26

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 CARL J. KUNASEK
3 CHAIRMAN
4 JIM IRVIN
5 COMMISSIONER
6 WILLIAM MUNDELL
7 COMMISSIONER

8 IN THE MATTER OF THE
9 APPLICATION OF PANDA GILA
10 RIVER, L.P. OR THEIR ASSIGNEE(S),
11 IN CONFORMANCE WITH THE
12 REQUIREMENTS OF ARIZONA
13 REVISED STATUTES 40-360.03 AND
14 40-360.06, FOR A CERTIFICATE OF
15 ENVIRONMENTAL COMPATIBILITY
16 AUTHORIZING THE CONSTRUCTION
17 OF NATURAL GAS-FIRED,
18 COMBINED CYCLE GENERATING
19 PLANT, SWITCHYARD, AND
20 RELATED FACILITIES IN THE TOWN
21 OF GILA BEND, MARICOPA
22 COUNTY, ARIZONA, LOCATED IN
23 SECTIONS 8, 17, 20, AND 21,
24 TOWNSHIP 5 SOUTH, RANGE 4
25 WEST, GILA AND SALT RIVER BASE
26 AND MERIDIAN.

CASE NO. 99

DOCKET NO. L-00000Q-00-0099

DECISION NO. 62730

AMENDED ORDER

22 **CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY**

23 Pursuant to notice given as provided by law, the Arizona Power Plant and
24 Transmission Line Siting Committee (the "Committee"), held a public hearing at the Best
25 Western Executive Park Downtown Hotel, 1100 North Central Avenue, Phoenix,
26

EXHIBIT 1

1 Arizona, on March 30, 2000, in conformance with the requirements of Arizona Revised
2 Statutes § 40-360 *et seq.*, for the purpose of receiving evidence and deliberating on the
3 Application of Panda Gila River, L.P. ("Panda" or the "Applicant") for a Certificate of
4 Environmental Compatibility ("Certificate") in the above-captioned case.

5 The following members and designees of members of the Committee were present
6 for the deliberations and vote on the Application at the March 30, 2000 hearing:

7 Charles S. Pierson	Chairman designee for Attorney General of 8 Arizona
9 Steve Olea	Designee for the Chairman of the Arizona 10 Corporation Commission
11 Mark McWhirter	Designee for the Director of the Energy Office of the Arizona Department of Commerce
12 Dennis Sundie	Designee for the Director for the Department of 13 Water Resources
14 Wayne Smith	Appointed Member
15 Robert C. Berger	Appointed Member
16 Sandie Smith	Appointed Member

17 The Applicant was represented by C. Webb Crockett and Karen E. Errant of
18 Fennemore Craig, P.C. Staff of the Arizona Corporation Commission ("Staff") noticed
19 their intervention as a party, and were represented by Teena Wolfe. The Arizona Center
20 for law in the Public Interest (the "Center") noticed its intervention as a party. There
21 were no other interventions or limited appearances.

22 At the conclusion of the hearing, the Committee, having received the Application,
23 the appearance of Panda and Staff, the evidence, testimony and exhibits presented by
24 Panda and Staff, and being advised of the legal requirements of Arizona Revised Statutes
25
26

1 §§ 40-360 to 40-360.13, upon motion duly made and seconded, voted to grant Panda a
2 Certificate of Environmental Compatibility (Case No. 99):

3 Panda Gila River, L.P. and its assignee(s), hereby are granted a Certificate of
4 Environmental Compatibility authorizing construction of four natural gas-fired,
5 combined cycle generating units each of a nominal 520 megawatts, together with related
6 infrastructure and appurtenances, including intra-plant transmission and a switchyard,
7 which generating unit shall be located in Maricopa County, Arizona, approximately 75
8 miles southwest of Phoenix, within the jurisdiction of the Town of Gila Bend.

9 The Certificate was granted upon the following conditions:

- 10 1. The Applicant and its assignees will comply with all existing applicable air
11 and water pollution control standards and regulations, and with all existing
12 applicable ordinances, master plans and regulations of the State of Arizona,
13 the County of Maricopa, the Town of Gila Bend, the United States, and any
14 other governmental entities having jurisdiction.
- 15 2. This authorization to construct the Project will expire five (5) years from
16 the date the Certificate is approved by the Arizona Corporation
17 Commission unless construction is completed to the point that the plant is
18 capable of operating at its rated capacity by that time; provided, however,
19 that prior to such expiration the Project owner may request that the Arizona
20 Corporation Commission extend this time limitation.
- 21 3. Applicant's project having two (2) or more approved transmission lines
22 emanating from its power plant's transmission switchyard and
23 interconnecting with the existing transmission system. This plant
24 interconnection must satisfy the single contingency outage criteria (N-1)
25 without reliance on remedial action such as generator unit tripping or load
26 shedding.
4. Applicant providing to the commission a technical study regarding the
sufficiency of transmission capacity to the plant. Applicant agrees to
satisfy this condition for its facility prior to commencement of construction,
and to provide an updated technical study regarding the sufficiency of
transmission capacity to the plant not more than 12 months prior to the
commercial operation of the plant.
5. Applicant submitting to the Commission an interconnection agreement with
the transmission provider with whom it is interconnecting.
6. Applicant or one of its affiliates becoming a member of WSCC, or its
successor, and filing a copy of its WSCC Reliability Criteria Agreement or

1 Reliability Management System (RMS) Generator Agreement with the
2 Commission.

- 3 7. Applicant using commercially reasonable efforts to become a member of
4 the Southwest Reserve Sharing Group, or its successor, thereby making its
5 units available for reserve sharing purposes, subject to competitive pricing.
- 6 8. Conditions 3-7 above shall automatically terminate if it or a substantially
7 similar condition is not included in future generating facility Certificates of
8 Environmental Compatibility as approved by the Commission or upon any
9 subsequent amendment or invalidation by the Commission or a reviewing
10 court.
- 11 9. If human remains and/or funerary objects are encountered during the course
12 of any ground disturbing activities related to the development of the subject
13 property, Applicant shall cease work and notify the Director of the Arizona
14 State Museum in accordance with A.R.S. § 41-685.
- 15 10. Applicant shall implement a land management and reclamation plan in
16 accordance with the requirements of the Annexation-Development
17 Agreement to be executed between Applicant and Town of Gila Bend.

18 The Arizona Corporation Commission ("Commission") has considered the grant
19 by the Committee of a Certificate of Environmental Compatibility to Panda, and finds
20 that the provisions of A.R.S. § 40-360.06 have been complied with, and, in addition, that
21 documentary evidence and testimony was presented concerning the need for the Panda
22 Gila River Project. Credible testimony was presented concerning the generation
23 deficiency in the Phoenix and Tucson load pockets, the need to locate additional
24 generation within the Phoenix and Tucson load pockets in order to minimize transmission
25 constraints and ensure reliability of the transmission grid, and the need for the Panda Gila
26 River Project in relation to other generating plants planned for Arizona. This evidence
included the 1999 Western States Coordinating Council Forecast which indicated a
Phoenix and Tucson area load in excess of generation of 6000 MW's by 2002 and in
excess of 8500 MW's by 2008. Even with the currently approved projects totaling 3060
MW's, exclusive of the Panda project, there was evidence that the combined load for
Phoenix and Tucson would have a generation deficiency. In that regard, Panda will have
wholesale power available during peak periods, during the first two years following

1 commercial operations, for sale to Arizona customers, to the extent that Arizona
2 customers have not previously contracted for long term power from Panda's Gila River
3 Plant in order to assist the maximization of Arizona system operations in open market,
4 arm-length transactions. Accordingly, pursuant to A.R.S. § 40-360.07(B), the
5 Commission has balanced, in the broad public interest, the need for an adequate,
6 economical and reliable supply of electric power with the desire to minimize the effect
7 thereof on the environment and ecology of this state. The Commission therefore
8 concludes that the Certificate should be confirmed.

9 IT IS THEREFORE ORDERED that the Certificate of Environmental
10 Compatibility granted to Panda by the Arizona Power Plant and Line Siting Committee
11 on April 24, 2000, is hereby approved as modified hereinabove.

12 IT IS FURTHER ORDERED that Decision No. 62730 is approved as amended
13 herein and as amended shall become effective immediately.

14 **BY ORDER OF THE ARIZONA CORPORATION COMMISSION**

15
16
17 Chairman

Commissioner

Commissioner

18
19 In Witness Hereof, I, Brian C. McNeil,
20 Executive Secretary of the Arizona Corporation
21 Commission, set my hand and cause the official
22 seal of this Commission to be affixed, this
23 ____ day of _____, 2000.

24 By: _____

Brian C. McNeil
Executive Secretary

25 Dissent: _____
26

POWER PLANT & TRANSMISSION LINE MAILING CHARGES

COMPANY NAME: Panda Delta River

DOCKET NUMBER: L-00000 Q-00-0099

FILING:

Applicants Request For An Amendment To Commission Decision 62730
Granting applicant a ccc

DATE OF MAILING: 10-19-00 COPIES RECEIVED: _____

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33.00
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